371. [*Transferred to the 6th May*, 1992]

Distinguishing features of DPCO, 1979 and DPCO, 1987

372. SHRI RAJNI RANJAN SAHU: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 1183 given in Rajya Sabha on 5th March, 1992 and state:

(a) what are the distinguishing features of exemption from price control available to the small scale sector under DPCO 1979/DPCO 1987;

(b) what ae the reasons for which the Government are not seeing the difference between exemption from price control upto a turn-over of Rs. 50 lakhs and exemption from prices control without any limit on turn over;

(c) what was the recommendation of the Kelkar Committee in the supplement report on this issue and why this recommendation has not been accepted; and

(d) what are the reasons for which the other recommendations like passing of 50 percent benefit of R&D which are not beneficial to the consumer and are unjustified have been accepted?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) Under DPCO, 1979 any unit having sales turn over not exceeding Rs. 50 lacs was exempt from price control in respect of Category III formulations whereas under DPCO, 1987 only small scale sector units not connected in any manner whatsoever with any organised sector units have been exempt from price control in respect of Category II formulations. The exemption to small scale sector units under DPCO, 1987 is aimed at to encourage their activities.

(c) The supplementary report of the Kelkar Committee is available in the Parliament library. The then Government had taken an independent view in exempting small scale sector units from price control in respect of Category II formulations.

(d) Recommendation like passing of 50 percent benefit of R&D is of benefit to both consumer as well as industry.

Price increase of bulk drugs

373. CHOWDHARY RAM SEWAK: SHRI RAJNI RANJAN SAHU: SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 1158 given in the Rajya Sabha on the 5th March, 1992 and state:

(a) whether it is a fact that the prices of 55 bulk drugs were increased on a national basis without taking into consideration the actual consumption of imported inputs and their actual import prices;

(b) whether it is a fact that this is not permitted under DPCO, 1987 nor do the proformas to the DPCO, 1987 provide for allowing such dummy increase;

(c) whether it is a fact that such dummy increases have never been allowed earlier in the history of price control;

(d) whether it is a fact that the number of imported inputs in 55 bulk drugs do not run into thousands but not exceed even 200; and

(e) what steps have been taken to investigate the matter and punish the guilty who have joined hands with the producers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) The prices of 55 bulk drugs using imported raw materials were revised by Govt. against major foreign currencies on the basis of available cost data with the Government and in consultation with BICP in accordance with the provisions of DPCO, 1987.

(d) Considering the number of imported raw materials required for 55 bulk drugs, and a lage number of manucaturers etc. the total entries would run into thousands.

(e) Does not arise.